

Investment Programs and Sales Expectations for 1971

Businessmen are scheduling rising outlays for new plant and equipment during 1972, with spending for the full year up 10½ percent from 1971. Both manufacturing and nonmanufacturing industries expect spending gains. Businessmen generally expect larger sales advances this year than last. New information on actual and expected changes in capital goods prices and selling prices is introduced in this article.

BUSINESSMEN'S capital budgets provide for rising expenditures for new plant and equipment throughout 1972, according to the survey of spending plans conducted in late January and February by the Bureau of Economic Analysis. For the year as a whole, business expects to spend \$89.8 billion—\$8½ billion, or 10½ percent, more than in 1971.¹ Spending increased 2 percent in 1971 and 5½ percent in 1970. Most industries expect increases in 1972.

These expanded capital spending programs are accompanied by expectations of sizable sales gains. Durable goods manufacturing companies look for a 9 percent sales increase and nondurable goods producers an 8 percent increase. Actual gains last year were 7½ percent and 5 percent, respectively. Trade firms expect sales to rise about 6½ percent this year, compared with an 8½ percent increase last year. Public

utility firms expect a revenue gain of 10½ percent in 1972, compared with an 11 percent increase last year.

Trends within 1972

Expenditures in the final quarter of 1971 were at a seasonally adjusted annual rate of \$83.2 billion, 3 percent above the third quarter. Expenditures are expected to rise 5 percent in the first quarter of 1972, to a rate of \$87.5 billion, and 2 percent in the second quarter, to \$89.1 billion. These expectations imply a spending rate of \$88.3 billion for the first half of 1972, 8 percent above the second half of 1971. The expected rate in the second half of this year is \$91.1 billion, up 3 percent from the first half. Most industries expect a more rapid expansion of investment in the first half of 1972 than in the second. Exceptions to this pattern include the electrical machinery, food-beverage, rubber, mining, and gas utility industries, where investment growth is expected to accelerate in the second half of the year.

Realization of 1971 programs

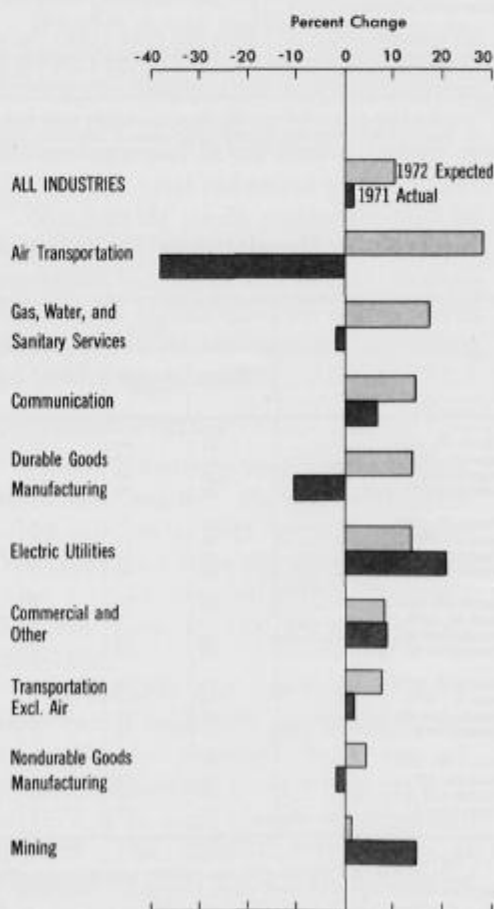
In the quarterly surveys during 1971, businessmen generally reported that they had spent less than they had previously planned and also had lowered their sights for the coming quarters. Outlays for the full year were up 1.9 percent from 1970 in contrast to the 4.3 percent rise planned early last year. The downward revisions were centered in manufacturing; as a group, nonmanufacturing industries generally held to their initial expectations throughout the year.

Most industry groups in manufacturing spent less in 1971 than initially planned; the largest percentage cut-

backs occurred in the nonelectrical machinery, aircraft, stone-clay-glass, food-beverage, and paper industries. Among nonmanufacturing firms, sizable reductions by the airlines and water transportation firms offset upward revisions by commercial firms.

CHART 8

Changes in Business Investment



U.S. Department of Commerce, Bureau of Economic Analysis

72-3-3

1. The expectations figures have been adjusted for systematic biases (footnote 2, table 8). Before such adjustment, 1972 expenditures were expected to be \$88.44 billion for all industries, \$33.33 billion for manufacturing and \$55.11 billion for nonmanufacturing. The adjustments were applied separately to each major industry; their net effect was to lower the manufacturing total by \$0.72 billion and raise the nonmanufacturing total by \$2.05 billion.

Manufacturing investment programs

Manufacturers expect to spend \$32.6 billion on new plant and equipment in 1972, 9 percent more than in 1971. Durable goods producers expect a 14 percent advance and nondurables producers a 4 percent rise. Both groups schedule larger increases in the first half of the year than in the second. The expected rise in manufacturing spending in 1972 follows a 6 percent decline last year and an increase of only 1 percent in 1970.

Among the durable goods industries, substantial advances this year are programmed by producers of stone, clay, and glass (36 percent), nonferrous metals (19 percent), and motor vehicles (19 percent). An increase of 20 percent is

projected for the "other durables" category, with all component groups—lumber, furniture, fabricated metals, instruments, and "ordnance and miscellaneous"—participating in the advance. More moderate increases are planned by machinery and aircraft producers while the steel industry expects a 9 percent decline.

In the nondurables category, manufacturers of rubber and paper products expect increases of 15 percent and 14 percent, respectively, following large reductions in 1971. The food-beverage industry expects to increase spending about 8 percent. The chemical and petroleum industries, which together account for more than half of investment spending by nondurables producers, expect investment this year to be about the same as in 1971; petroleum firms are scheduling an increase in outlays for production of crude oil, but declines are expected in spending for transportation and for refining and petrochemical facilities (see table 3). In the "other nondurables" group, tobacco and leather firms expect sizable increases in spending this year.

Starts increase

The value of investment projects initiated by manufacturers during the fourth quarter of 1971 was 2½ percent above the third quarter figure. This increase followed a 16 percent gain in the third quarter. Starts by durable goods producers rose 13 percent in the fourth quarter, with most industries participating in the advance. Primary metals producers reported the largest increase. Starts by nondurable goods firms declined 7 percent. Petroleum refiners reduced starts about 20 percent and food-beverage and paper companies also reported lower starts. These declines were partly offset by an increase in the chemical industry.

The carryover of manufacturers' investment projects, i.e., expenditures still to be incurred on projects already underway, totaled \$19.7 billion at the end of December, up 1 percent from September but 7 percent below the year-earlier figure. Durable goods producers' carryover increased 4 percent in the fourth quarter, while the carry-

over of nondurable goods producers declined 2½ percent.

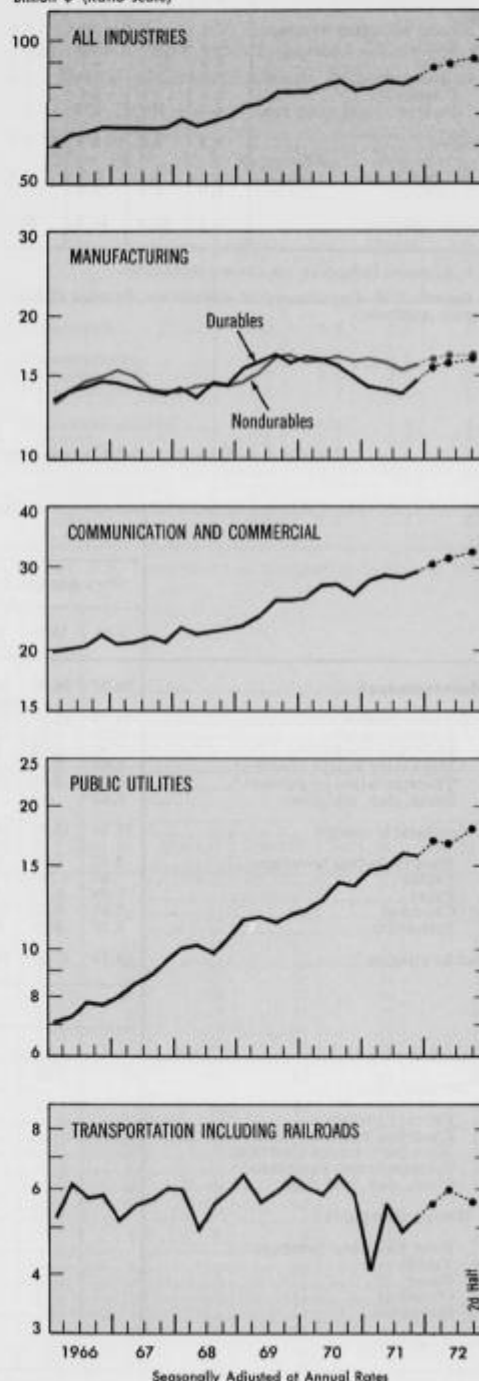
Capacity evaluation, yearend 1971

There was little change between September 30 and December 31 in

CHART 9

Plant and Equipment Expenditures

Billion \$ (Ratio scale)



• Expectations

U.S. Department of Commerce, Bureau of Economic Analysis

Table 1.—Plant and Equipment Expenditures, Annual Percent Changes 1970-72

	1970	1971		1972
	Actual	Ex-pected ¹	Actual	Ex-pected
All industries.....	5.5	4.3	1.9	10.5
Manufacturing ².....	.8	-.3	-6.1	8.7
Durable goods ²	-1.0	-2.5	-10.4	13.8
Primary metals ².....	.3	-10.5	-14.1	4.8
Blast furnace, steel works.....	-8.6	-12.8	-18.1	-9.4
Nonferrous.....	12.3	-12.6	-12.8	18.9
Electrical machinery.....	11.6	1.2	-5.8	4.1
Machinery except electrical.....	1.0	-1.0	-19.2	13.0
Transportation equip-ment ²	-12.2	-3.8	-12.1	16.6
Motor vehicles.....	-3.5	-.4	-4.8	18.6
Aircraft.....	-34.8	-5.9	-28.9	11.7
Stone, clay, and glass.....	-7.6	4.7	-14.2	36.4
Other durables ²	-.8	-.2	1.2	20.3
Nondurable goods.....	2.8	1.9	-1.9	4.2
Food including beverage.....	9.6	4.0	-5.3	8.5
Textile.....	-11.3	-4.8	9.8	1.0
Paper.....	4.4	-14.7	-24.3	14.1
Chemical.....	11.0	5.3	.1	-.1
Petroleum.....	-.2	5.9	4.2	-.6
Rubber.....	-13.7	-16.5	-9.8	15.1
Other nondurables ².....	.6	9.1	3.6	14.7
Nonmanufacturing industries.....	8.8	7.4	7.2	11.6
Mining.....	1.4	.5	14.6	1.4
Railroad.....	-4.6	2.6	-6.0	4.8
Air transportation.....	20.7	-22.4	-38.0	28.4
Other transportation.....	-27.2	13.4	12.9	11.8
Public utilities.....	13.2	17.5	16.4	14.0
Electric.....	19.1	22.4	20.7	13.4
Gas and other.....	-6.6	-3.5	-2.0	17.1
Communication.....	21.6	10.3	6.6	14.2
Commercial and other.....	3.4	3.8	8.8	8.1

1. Expected data for 1971 are based on the survey conducted in late January and February 1971.

2. Includes industries not shown separately.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 2.—Business Sales, Annual Percent Changes, 1970-72

	1970		1971		1972	
	Actual	Expected	Actual	Expected	Actual	Expected
Manufacturing industries ¹	3.5	7.4	6.4	8.3	5.3	5.3
Durable goods ¹	-0.9	8.0	7.5	5.3	5.3	5.3
Primary metals.....	-0.2	7.5	5.0	10.5	10.5	10.5
Electrical machinery.....	0.9	7.1	5.0	8.0	8.0	8.0
Machinery except electrical.....	1.4	8.2	8.0	10.3	10.3	10.3
Transportation equipment.....	-5.7	8.5	11.5	5.5	5.5	5.5
Stone, clay, and glass.....	3.7	10.9	18.3	8.7	8.7	8.7
Nondurable goods ¹	4.6	7.0	5.1	8.2	8.2	8.2
Food including beverage.....	7.4	4.8	5.0	6.0	6.0	6.0
Textile.....	-0.9	7.8	12.8	10.8	10.8	10.8
Paper.....	4.9	11.9	5.1	5.9	5.9	5.9
Chemical.....	1.9	7.5	5.9	5.9	5.9	5.9
Petroleum.....	5.0	8.9	5.1	7.7	7.7	7.7
Rubber.....	8.0	8.4	8.0	10.1	10.1	10.1
Trade.....	3.0	6.5	6.5	6.5	6.5	6.5
Wholesale.....	4.2	4.3	5.4	6.0	6.0	6.0
Retail.....	3.5	5.0	5.5	6.2	6.2	6.2
Public utilities.....	5.9	10.4	11.2	10.5	10.5	10.5

1. Includes industries not shown separately.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

manufacturers' evaluations of the adequacy of their facilities. Companies owning 30 percent of total fixed assets reported a need for more facilities as of December 31. This is about the same as the proportion reported in June and September and well below the figures reported in 1970 (table 5).

Companies reporting facilities in excess of needs accounted for 11 percent of total fixed assets at December 31, unchanged from the September 30 proportion. The "excess" proportion rose between September and December for producers of primary metals, but this change was offset by a decrease for the chemical industry.

Nonmanufacturing programs

Airlines plan a sharp increase—28 percent—in capital expenditures in 1972, following a decline of 38 percent last year. Airbus purchases are expected

Table 3.—Petroleum Industry Expenditures for New Plant and Equipment by Function, Actual and Expected 1970-72

	Actual		Ex- pected	Per- cent change 1971-72
	1970	1971	1972	
	Billions of dollars			
Total.....	4.52	5.05	5.23	-9.6
Production.....	2.16	2.24	2.51	12.1
Transportation.....	.40	.50	.37	-25.2
Refining and petrochemicals.....	1.40	1.52	1.17	-22.6
Marketing.....	1.11	1.03	1.08	5.3
Other.....	.55	.57	.60	20.0

1. The reported figures for expenditures are adjusted for systematic biases when necessary; adjustments are applied separately to expenditures for each function. Before adjustment expenditures for 1972 were expected to be \$5.10 billion; the net effect of the adjustment was to lower the total by \$2.25 billion.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

to be large this year, partly reflecting some delivery delays encountered in 1971.

Table 4.—Starts and Carryover of Plant and Equipment Projects, Manufacturing and Public Utilities, 1969-71

(Billions of dollars)

	Starts ¹										Carryover ²								
	Annual			1970				1971				1970				1971			
	1969	1970	1971	I	II	III	IV	I	II	III	IV	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.
	1969	1970	1971	I	II	III	IV	I	II	III	IV	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.
Manufacturing ¹	24.07	28.18	28.00	6.84	6.92	6.54	7.09	6.91	6.48	6.79	7.52	25.75	22.55	21.09	19.45	19.79	18.64	18.12	17.59
Durable goods ¹	16.85	18.04	18.59	4.42	4.37	4.13	4.12	3.49	2.80	3.24	4.06	12.27	11.55	10.82	9.67	10.05	9.83	9.17	8.11
Primary metals.....	2.90	2.55	2.44	.55	.44	.38	.42	.75	.26	.39	.73	3.57	3.43	3.54	3.52	3.14	2.98	2.72	2.69
Electrical machinery.....	3.30	2.18	1.82	.82	.41	.38	.59	.53	.20	.41	.50	2.36	2.21	2.02	1.62	2.04	1.83	1.59	1.81
Machinery except electrical.....	3.69	3.20	2.59	.84	.30	.35	.91	.57	.64	.64	.64	1.17	1.10	.94	.87	.99	.79	.71	.75
Transportation equipment ¹	2.50	2.04	2.34	.75	.45	.35	.34	.55	.32	.59	.57	2.75	2.68	2.49	2.21	2.39	2.21	2.47	2.47
Stone, clay, and glass.....	1.65	.82	.94	.32	.13	.22	.16	.25	.17	.25	.27	.70	.55	.55	.45	.59	.49	.51	.64
Nondurable goods ¹	17.23	16.14	14.42	2.21	2.54	2.41	2.97	3.42	3.68	3.55	3.70	11.48	10.05	10.24	9.51	9.66	9.31	8.95	8.40
Food including beverage.....	2.97	2.50	2.40	.56	.65	.60	.60	.50	.70	.68	.51	1.53	1.44	1.22	1.19	1.05	1.04	1.05	1.00
Textile.....	.40	.49	.71	.13	.15	.10	.06	.18	.20	.13	.20	.30	.31	.27	.21	.24	.21	.23	.31
Paper.....	1.50	1.64	1.00	.58	.33	.18	.45	.21	.17	.33	.31	1.20	1.10	.98	.87	.89	.75	.79	.73
Chemical.....	3.42	3.06	3.25	.95	.71	.00	.70	.37	.63	.58	.66	3.10	2.92	2.74	2.61	2.68	2.58	2.42	2.37
Petroleum.....	0.10	0.64	5.14	1.38	1.23	1.84	1.67	1.25	1.23	1.24	1.35	4.04	3.00	2.80	2.64	3.75	3.99	3.25	3.00
Public utilities.....	15.16	17.20	22.22	5.53	4.15	2.84	4.93	7.13	4.23	4.95	6.45	22.35	23.24	23.61	22.25	27.34	27.51	28.11	28.27
Adjusted for seasonal variation																			
Manufacturing ¹				6.55	6.76	7.26	6.92	6.71	6.53	7.55	7.74	24.17	22.23	22.04	21.22	20.32	19.33	18.58	19.74
Durable goods ¹				4.39	4.30	4.52	4.51	3.85	2.91	3.49	4.05	12.90	12.24	11.60	10.68	10.78	10.17	10.53	10.72
Primary metals.....				.51	.40	1.04	.39	.72	.26	.39	.80	3.57	3.43	3.52	3.45	3.47	3.20	3.11	3.24
Electrical machinery.....				.78	.42	.40	.54	.45	.20	.45	.54	2.36	2.15	1.98	1.67	1.97	1.73	1.57	1.66
Machinery except electrical.....				.71	.30	.32	.91	.55	.64	.63	.75	1.48	1.40	1.20	1.13	1.47	1.20	1.37	1.43
Transportation equipment ¹.....				.84	.45	.30	.39	.55	.32	.57	.57	2.81	2.60	2.38	2.25	2.35	2.13	2.43	2.41
Stone, clay, and glass.....				.32	.12	.22	.16	.23	.13	.23	.25	.74	.55	.55	.45	.59	.49	.51	.64
Nondurable goods ¹				4.23	4.37	4.74	4.01	3.85	3.63	3.86	3.79	11.27	10.61	10.25	10.25	9.58	9.15	8.94	8.93
Food including beverage.....				.71	.68	.63	.60	.54	.63	.71	.52	1.51	1.44	1.22	1.15	1.10	1.10	1.10	1.14
Textile.....				.21	.14	.10	.07	.20	.18	.17	.17	.33	.33	.23	.23	.23	.23	.23	.34
Paper.....				.40	.33	.30	.44	.19	.15	.33	.33	1.20	1.05	.85	.85	.85	.77	.77	.87
Chemical.....				.94	.65	.31	.65	.35	.73	.77	.77	3.13	2.81	2.70	2.73	2.61	2.63	2.45	2.57
Petroleum.....				3.42	1.23	1.81	1.43	1.25	1.23	1.42	1.44	3.50	2.85	2.63	2.63	3.63	3.48	3.41	3.19
Public utilities.....				5.95	4.84	3.68	4.91	5.10	4.74	5.96	6.55	21.13	22.77	22.96	24.45	25.69	26.89	28.58	31.49

1. Starts are estimated by adding changes in carryover to expenditures during the given period.

2. Carryover refers to expenditures yet to be incurred on plant and equipment projects already underway at end of period.

3. Includes data not shown separately.

4. Includes guided missiles and space vehicles.

NOTE.—Details may not add to totals because of rounding.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Public utilities continue to project strong spending growth. They plan outlays of \$17.4 billion in 1972, an increase of \$2.1 billion, or 14 percent, over 1971. Gas companies expect a larger percentage advance than electric companies. Starts of new projects by utilities in the fourth quarter of 1971 reached a record \$6.6 billion and the carryover of funds yet to be expended increased \$2.6 billion to \$31½ billion at yearend.

Communications firms also expect a substantial expansion this year—14 percent, as compared with a 6½ percent increase last year.

Railroads plan a spending increase of 5 percent in 1972, following 2 years of decline. The 1972 increase is attributable to higher expenditures for road; equipment investment is scheduled to be reduced somewhat. Trucking and water transportation firms plan sizable increases while pipelines are expecting a sharp reduction.

The "commercial and other" group—trade, services, construction, finance, and insurance—expects an 8 percent increase in expenditures this year, about equal to the rise last year. At this time

last year, a 4-percent rise was expected. All component groups except construction and insurance plan increases this year.

Changes in Prices of Capital Goods and of Sales

An inquiry on price changes was added to the plant and equipment expenditures surveys conducted in late November and December of 1970 and 1971. In the 1971 survey, firms were asked the following:

"Please indicate your best estimates of average price changes from 1970 to 1971 and expected changes from 1971 to 1972:

a. Prices paid by your company for new construction, machinery and equipment.

b. Prices of goods and/or services sold by your company."

The 1970 survey obtained similar information. Thus, data are now available from the two surveys for the years 1970, 1971, and 1972. The firms' responses on capital goods and sales price changes were weighted by their reported capital

expenditures and sales, respectively. The overall industry estimates are shown in tables 6 and 7. Because only 2 years of expectations data are available, the predictive ability of the data cannot yet be assessed.

The surveys found that plant and equipment prices rose slightly more than 6½ percent in both 1970 and 1971; the 1971 rise was in line with earlier expectations. These increases compare

Table 6.—Actual and Expected Changes in Prices of Capital Goods Purchased

(Percent change from prior year)

	Reported in Nov.-Dec. 1970 Survey		Reported in Nov.-Dec. 1971 Survey	
	Actual 1970	Expected 1971	Actual 1971	Expected 1972
All industries.....	6.8	6.6	6.6	6.1
Manufacturing.....	7.1	6.3	7.3	6.4
Durable goods.....	6.7	6.6	7.0	6.2
Non-durable goods.....	7.4	7.8	7.1	6.6
Nonmanufacturing.....	6.7	6.4	6.4	4.9
Mining.....	7.8	7.6	6.7	4.4
Transportation.....	7.2	6.1	6.1	4.8
Public utilities.....	6.0	6.3	6.3	4.9
Communication, commercial, and other.....	5.0	5.6	5.6	4.9

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 5.—Manufacturers' Evaluation of Their Capacity

(Percent distribution of gross capital assets)¹

	1968	1969				1970				1971			
	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31
More plant and equipment needed:													
All manufacturing.....	47	48	43	44	46	44	42	41	40	35	30	31	30
Durable goods ²	46	46	40	40	39	37	34	33	31	26	26	26	24
Primary metals.....	41	41	30	31	33	30	30	32	23	20	19	19	18
Metal fabricators ³	40	40	40	47	43	41	36	35	31	34	24	24	25
Non-durable goods ²	49	49	46	48	53	51	49	48	48	38	38	36	35
Food including beverage.....	54	46	43	44	47	44	44	44	40	38	38	36	34
Chemical.....	56	72	56	71	73	68	68	68	67	43	43	46	43
Petroleum.....	49	29	41	43	47	45	47	53	50	28	38	38	39
About adequate:													
All manufacturing.....	46	47	50	51	49	54	52	51	51	64	61	58	59
Durable goods ²	46	47	53	53	53	53	56	56	61	68	63	60	61
Primary metals.....	46	44	38	54	52	54	54	53	75	77	70	69	67
Metal fabricators ³	46	46	48	60	52	52	54	54	64	65	63	63	64
Non-durable goods ²	46	46	41	44	44	47	48	48	46	37	39	37	38
Food including beverage.....	41	49	33	53	49	51	53	53	52	52	53	56	57
Chemical.....	40	25	43	27	26	31	31	31	49	38	45	46	43
Petroleum.....	50	60	56	47	53	52	53	30	49	62	62	62	61
Existing plant and equipment exceeds needs:													
All manufacturing.....	5	5	5	5	5	6	6	5	7	7	9	11	11
Durable goods ²	7	7	7	7	8	10	10	12	8	9	13	16	16
Primary metals.....	14	14	14	16	16	16	16	17	2	2	11	21	25
Metal fabricators ³	3	3	3	3	3	7	8	11	11	11	15	13	11
Non-durable goods ²	3	3	3	3	3	2	3	4	5	6	6	7	7
Food including beverage.....	2	3	4	3	4	3	3	5	6	19	12	9	9
Chemical.....	2	3	1	2	1	1	1	1	3	4	3	0	4
Petroleum.....	1	1	1	1	0	0	0	0	0	0	0	0	0

1. According to respondent companies' characterizations of their plant and equipment facilities, taking into account their current and prospective sales for the next 12 months.

2. Includes industries not shown separately.

3. Includes machinery, transportation equipment, and fabricated metals industries.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

with increases of somewhat more than 5½ percent in both years in the implicit

Table 7.—Estimated Changes in Prices of Products and Services Sold by Manufacturing and Utility Companies
(Percent change from prior year)

	Reported in Nov.-Dec. 1970 SURVEY		Reported in Nov.-Dec. 1971 SURVEY	
	Actual 1970	Expected 1971	Actual 1971	Expected 1972
Manufacturing.....	3.5	3.9	3.0	2.8
Durable goods.....	4.0	3.9	3.5	2.9
Non-durable goods.....	2.2	3.9	2.5	2.6
Public utilities.....	3.3	4.5	5.7	5.8

Source: U. S. Department of Commerce, Bureau of Economic Analysis.

price deflator for nonresidential fixed investment in the national income and product accounts. It should be noted that the industrial coverage of the plant and equipment series is narrower than that of nonresidential fixed investment, and that the plant and equipment prices reported in the surveys are transactions prices while the deflator is based on quoted prices. The behavior of both price measures is affected by changes in mix, and it is not known whether quality changes are reflected in the same way in the two price measures.

Business firms estimated that prices of the plant and equipment to be pur-

chased will rise about 5 percent in 1972. This suggests that about one-half of the 10½ percent increase in capital outlays projected for 1972 represents "real" investment expansion. Last year, with capital goods prices having risen 6½ percent, the reported 2-percent rise in outlays indicates that investment declined in real terms.

As can be seen in table 7, manufacturers reported that their selling prices increased 3 percent from 1970 to 1971 and estimated that selling prices will rise 2.8 percent in 1972. Public utilities expect their rates to rise 5.8 percent in 1972, compared with a 5.7 percent increase reported for 1971.

Table 8.—Expenditures for New Plant and Equipment by U.S. Business,¹ 1970-72

(Billions of dollars)

	Annual			Quarterly, unadjusted												Quarterly, seasonally adjusted annual rates											
				1970				1971				1972				1970				1971				1972			
	1970	1971	1972*	I	II	III	IV	I	II	III	IV	I	II	2d half	I	II	III	IV	I	II	III	IV	I	II	2d half		
All industries.....	78.71	81.31	85.77	17.47	20.33	20.28	21.88	17.68	20.50	20.14	23.78	18.08	22.49	47.72	78.22	80.22	81.88	78.62	78.32	81.61	80.78	85.18	87.64	89.94	91.08		
Manufacturing industries.....	51.00	52.99	57.61	7.14	8.45	7.99	8.60	6.68	7.64	7.31	8.44	7.43	8.16	17.42	33.44	32.43	32.16	30.96	30.48	32.12	32.28	31.94	34.35	37.92	37.52		
Durable goods.....	35.80	34.15	38.11	3.59	4.08	3.87	4.28	3.31	3.62	3.40	4.12	3.43	4.01	8.66	16.40	16.32	16.74	14.32	14.21	14.06	13.78	14.61	15.62	15.98	16.38		
Primary metals ¹	3.29	2.78	2.91	.89	.78	.81	.95	.65	.72	.65	.70	.63	.70	1.59	3.38	3.15	3.21	3.21	3.06	2.91	2.80	2.68	2.95	2.84	2.94		
Blas furnace, steel works.....	1.08	1.37	1.24	.35	.43	.42	.47	.37	.33	.32	.40	.28	.31	.68	1.73	1.78	1.97	1.60	1.80	1.83	1.20	1.35	1.28	1.24	1.35		
Nonferrous.....	1.24	1.06	1.25	.27	.28	.31	.38	.24	.29	.26	.28	.26	.38	.70	1.24	1.12	1.31	1.36	1.06	1.22	1.01	1.01	1.24	1.25	1.31		
Electrical machinery.....	2.27	2.14	2.29	.69	.50	.50	.68	.41	.53	.52	.68	.42	.54	1.27	2.35	2.27	2.28	2.22	1.94	2.18	2.17	2.28	1.90	2.18	2.25		
Machinery, except electrical.....	3.47	2.80	3.17	.82	.98	.84	.88	.66	.72	.62	.80	.60	.81	1.08	2.02	2.00	3.02	3.12	2.98	2.90	2.88	2.85	3.04	3.20	3.21		
Transportation equipment ³	2.40	2.12	2.45	.60	.60	.60	.55	.47	.40	.44	.62	.47	.64	1.28	2.74	2.71	2.29	2.04	2.10	1.97	2.00	2.28	2.50	2.80	2.45		
Motor vehicles.....	1.68	1.51	1.80	.38	.43	.41	.34	.33	.24	.38	.48	.31	.45	.93	1.70	1.83	1.64	1.29	1.43	1.33	1.46	1.82	1.86	1.77	1.78		
Aircraft ⁴.....	.54	.28	.43	.15	.14	.12	.12	.09	.08	.10	.10	.09	.10	.24	.67	.68	.48	.46	.44	.37	.39	.85	.44	.42	.43	
Stones, clay and glass.....	.90	.84	1.16	.24	.22	.22	.26	.20	.19	.21	.25	.20	.20	.60	1.05	1.06	.94	.82	.87	.73	.80	.91	1.17	1.12	1.17		
Other durables ⁵	2.41	2.42	3.15	.78	.87	.84	.94	.79	.80	.85	1.02	.85	1.04	2.25	3.45	3.48	3.80	3.27	3.29	3.43	3.58	3.68	3.91	4.14	4.28		
Non-durable goods.....	16.15	15.84	18.50	3.58	4.07	4.12	4.40	3.38	4.03	3.91	4.32	3.66	4.18	6.76	16.45	16.11	16.40	16.05	16.26	16.46	16.43	16.74	18.30	18.54	16.88		
Food including beverages.....	2.84	2.80	2.82	.77	.74	.72	.71	.68	.74	.60	.68	.62	.72	1.58	2.08	2.00	2.00	2.78	2.54	2.62	2.85	2.75	2.79	2.65			
Textile.....	.80	.81	.82	.13	.15	.14	.14	.15	.16	.16	.13	.14	.15	.33	.88	.87	.85	.83	.86	.84	.81	.88	.82	.80	.83		
Paper.....	1.05	1.25	1.43	.37	.43	.42	.42	.29	.30	.31	.38	.30	.36	.77	1.71	1.95	1.68	1.65	1.84	1.18	1.20	1.29	1.40	1.38	1.43		
Chemical.....	2.45	2.44	3.43	.70	.80	.87	.92	.78	.88	.81	.96	.82	.90	1.71	3.32	3.44	3.67	3.22	3.43	3.48	3.39	3.53	3.38	3.48	3.34		
Petroleum.....	5.62	5.85	5.82	1.34	1.38	1.40	1.31	1.40	1.51	1.57	1.28	1.44	1.44	3.14	6.15	5.98	5.70	5.86	6.08	6.07	5.92	5.45	5.75	5.97	5.78		
Rubber.....	.94	.84	.97	.24	.23	.23	.22	.19	.19	.20	.26	.20	.24	.63	1.18	.98	.90	.80	.86	.78	.84	.94	.89	.87	1.01		
Other non-durables ⁶	1.11	1.10	1.31	.29	.26	.28	.31	.20	.30	.32	.29	.38	.70	1.71	1.18	1.08	1.10	1.16	1.25	1.19	.99	1.20	1.30	1.53	1.31		
Nonmanufacturing industries.....	47.70	41.22	48.16	10.32	12.18	12.21	12.89	10.99	13.04	12.83	14.38	12.63	14.33	30.28	44.78	47.78	49.73	47.66	48.56	51.50	54.88	52.82	55.62	58.57	58.12		
Mining.....	1.89	2.10	2.20	.44	.47	.46	.48	.40	.54	.66	.60	.53	.64	1.12	1.93	1.84	1.88	1.94	2.04	2.08	2.23	2.30	2.22	2.12	2.23		
Railroad.....	1.78	1.67	1.74	.42	.47	.45	.43	.34	.47	.45	.45	.42	.48	.88	1.74	1.83	1.94	1.88	1.85	1.83	1.72	1.64	1.90	1.87	1.71		
Air transportation.....	5.03	1.88	2.42	.73	.80	.74	.70	.54	.60	.60	.56	.62	.78	1.11	2.48	2.88	2.84	3.04	3.29	2.28	1.08	2.20	2.02	2.00	2.33		
Other transportation.....	1.23	1.38	1.88	.29	.31	.30	.33	.29	.38	.37	.37	.35	.38	.88	1.37	1.12	1.22	1.22	1.33	1.40	1.48	1.29	1.67	1.35	1.60		
Public utilities.....	33.14	35.30	37.46	2.84	3.28	3.58	3.74	3.11	3.83	4.07	4.29	3.66	4.31	9.52	12.14	12.72	12.84	13.58	14.04	14.51	15.87	15.74	18.00	18.78	17.96		
Electric.....	21.62	22.80	24.58	2.15	2.59	2.79	3.12	2.70	3.20	3.35	3.60	3.18	3.60	7.82	8.77	10.16	11.34	11.20	12.16	12.81	13.88	13.81	14.17	14.18	14.88		
Gas and other.....	2.49	2.44	2.88	.39	.69	.78	.68	.41	.68	.71	.68	.48	.70	1.70	2.37	2.57	2.60	2.48	2.48	2.30	2.30	2.74	2.73	2.60	3.02		
Communication.....	10.10	10.77	12.20	2.14	2.50	2.68	2.91	2.50	2.81	2.82	2.84	2.70	2.92	10.81	8.14	10.38	10.62	10.20	10.10	11.31	10.73	10.44	10.90	11.70	12.80		
Commercial and other ⁷	18.68	18.06	18.51	3.78	4.28	4.18	4.42	3.84	4.44	4.42	6.28	7.06	7.92	10.81	13.62	13.98	17.00	15.67	17.80	17.72	17.86	19.10	20.90	21.70	22.80		

1. Excludes agricultural business; real estate operators; medical, legal, educational, and cultural service; and nonprofit organizations.

2. Estimates are based on expected capital expenditures reported by business in late January and February 1972. The estimates for the first quarter, second quarter and second half of 1972 have been corrected for systematic biases. The adjustment procedures are described in the February 1972 issue of the Survey of Current Business. Before such adjustments, 1972 expenditures were expected to be \$89.44 billion for all industries, \$38.33 billion for manufacturing, and \$25.11 billion for nonmanufacturing.

3. Includes data not shown separately.

4. Includes guided missiles and space vehicles.

5. Includes fabricated metal, lumber, furniture, instrument, ordnance, and miscellaneous except guided missiles and space vehicles.

6. Includes apparel, tobacco, leather, and printing-publishing.

7. Includes trade, services, construction, finance, and insurance.

Note: Details may not add to totals because of rounding.
Source: U.S. Department of Commerce, Bureau of Economic Analysis.